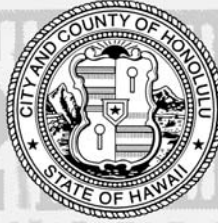


NEWS RELEASE



Department of Budget
and Fiscal Services
CITY AND COUNTY OF HONOLULU

FOR IMMEDIATE RELEASE

December 15, 2006

CITY MAILS OUT PROPERTY ASSESSMENT NOTICES FOR 2007

Owners of more than 270,000 parcels of real property will receive their 2007 real property assessment notices over the next several days.

The total gross assessed valuation of all real property on Oahu increased from \$166.5 billion to \$191.6 billion. The increase is not due only to rising sale prices. New developments (4,011 new parcels), including residential subdivisions and condominiums, construction of new buildings and improvements to existing ones, also contributed to the increased valuations. The new assessed valuations were set as of October 1, 2006, and are based on recent sales of similar properties through June 30, 2006.

“Islandwide, property assessments are up over last year, but by far less than last year’s 26 percent increase,” said Budget and Fiscal Services Director Mary Pat Waterhouse.

More than half of the \$191.6 billion – \$115.2 billion – is for single-family properties, whose assessed valuation increased by 11.8 percent islandwide, with new parcels and additions to existing parcels adding another 2.1 percent. Apartment and condominium property values (\$43.8 billion) increased by 14.9 percent islandwide, with new parcels and additions/alterations to existing parcels adding another 3.5 percent.

Hotel and resort property values increased by 12.2 percent, with new parcels and additions/alterations to existing parcels adding another 4.2 percent, while commercial property values increased by 11.6 percent, with new parcels and additions/alterations to existing parcels adding another 3.3 percent. Industrial properties rose in value by 16.5 percent with new parcels and additions/alterations to existing parcels adding another 3.0 percent.

The change in assessed value for a specific parcel of property will likely differ from the islandwide percentage for that classification.

“While the 2007 assessments are based on sales data up to June 30 of this year, we have reviewed sales since then,” said Gary Kurokawa, Real Property Assessment Division chief.

“We’re seeing a flattening of sales prices, as opposed to the skyrocketing trend of the past few years. This data will be reflected in the 2008 assessments.”

The assessment notice is not a tax bill, but simply a statement of what the City has determined to be the property's value. The notice includes information on deductions for which the owner is eligible. Beginning with the 2007 assessment, the new standard homeowner's exemption is \$80,000. That rises to \$120,000 for homeowners 65 and older who have applied for and obtained the exemption for age. Subtract the applicable exemption from the assessed valuation to get a property's net assessed value.

That net assessed value plays a major role in determining the amount of taxes for a parcel next fiscal year (July 1, 2007, to June 30, 2008). The actual amount of taxes owed on an individual property is determined by multiplying the net assessed valuation by the appropriate tax rate, which will be set by the City Council next spring as it finalizes the budget for fiscal year 2008. If you wish to dispute your assessment, the deadline for filing an appeal is January 16, 2007.

The City is mailing nearly 278,000 assessment notices out today (Friday, December 15). Property owners who have not received their 2007 Assessment Notice by December 31, 2006, are advised to contact the Real Property Assessment Division at:

842 Bethel Street, Basement or
Honolulu, Hawaii 96813
(Phone: 527-5539 or 527-5510)

1000 Uluohia Street, #206
Kapolei, Hawaii 96707
(Phone: 692-5541)

Real property information regarding the new assessed values and exemptions, as well as tax billing information, is available at www.honolulupropertytax.com. You can e-mail the Real Property Assessment Division with questions concerning your assessment notice at bfsrpmmailbox@honolulu.gov.

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MEDIA NOTE:

Mary Pat Waterhouse, Director of Budget and Fiscal Services, will be available for on-camera interviews at 1:30 p.m. in her office on the second floor of Honolulu Hale.

CONTACT:

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